

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE SECRETARY

In the Matter of)
) PP Docket No. 93-253
Implementation of Section 309(j)) Mimeo No. DA 95-651
of the Communications Act)
Competitive Bidding)

To: Commercial Wireless Division
Wireless Telecommunications Bureau
Room 5202, Stop 1700A1
Federal Communications Commission

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**COMMENTS ON THE EMERGENCY PETITION FOR WAIVER DATED
MARCH 28, 1995 FILED BY TELEPHONE ELECTRONICS CORPORATION
("TEC")**

Western New Mexico Telephone Company, Inc., Inter-Community Telephone Company, Cuba City Telephone Exchange Company, Belmont Telephone Company, Bretton Woods Telephone Company, Inc., J.B.N. Telephone Company, Inc., and Haviland Telephone Company, Inc. (collectively the "Rural Telephone Companies"), by their attorney, hereby submit their comments to the Commission's March 28, 1995 Public Notice (Mimeo No. DA 95-651) concerning the request of Telephone Electronics Corporation (TEC) for a waiver of the Part 24 eligibility and affiliation rules.

The Rural Telephone Companies believe (i) that the waiver requested by TEC should be granted for essentially the reasons set forth therein and (ii) that a similar waiver should be granted so that the Rural Telephone Companies would qualify as designated entities entitled to participate in the C and F block auctions, at least with respect to the BTAs in which they have telephone operations; the Rural Telephone Companies also believe that they

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should receive the same bidding credit and other benefits as small businesses. As discussed below, the Rural Telephone Companies are similarly situated to TEC. Schedule A hereto sets forth a list of the BTAs in which the Rural Telephone Companies have operations. A Petition for Waiver for the Rural Telephone Companies will be filed promptly. There is no justification for not including the Rural Telephone Companies in any waiver granted to TEC. It is our understanding that there are only a few groups of related rural telephone companies (probably less than 5) which meet the 100,000 access lines limit, but are disqualified because of the affiliated company financial tests.

The Rural Telephone Companies qualify under the definition of "Rural Telephone Company" contained in Section 24.720(e) of the Commission's Rules. Collectively, the Rural Telephone Companies have approximately 15,000 access lines. Collectively, the Rural Telephone Companies had Gross Revenues of \$20.02 million, \$16.14 million and \$15.29 million in the fiscal years ended December 31, 1994, 1993, and 1992, respectively; and Total Assets of \$88.56 million at December 31, 1994, which has not changed materially since then. The Rural Telephone Companies each operate as separate, independent companies serving small, rural areas and communities and had intended to participate as "designated entities" in the C block auction until the affiliated company financial tests were adopted.

Like TEC, the Rural Telephone Companies did not qualify as designated entities for purposes of the C and F block auctions

because they are indirect subsidiaries (and hence affiliates) of Lynch Corporation, which because of its other non-telephone affiliates appears to exceed the financial tests.

Accordingly, any relief granted to TEC should be fashioned in a way that will not exclude the handful of rural telephone operations which have fewer than 100,000 access lines, and want to bid at least in those BTAs where they have a telephone presence, but which do not meet the entrepreneur's block financial tests.

Respectfully submitted,

THE RURAL TELEPHONE COMPANIES

By: 

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Filed: April 3, 1995

Schedule A

<u>BTA Number</u>	<u>Basic Trading Area</u>
8	Albuquerque, NM
118	Dubuque, IA
138	Fargo, ND
200	Hutchinson, KS
244	Las Cruces, NM
249	Lebanon-Claremont, NH
251	Lewiston-Auburn, ME
256	Lincoln, NE
272	Madison, WI
275	Manhattan-Junction City, KS
393	St. Joseph, MO
396	Salina, KS
445	Topeka, KS
472	Wichita, KS

CERTIFICATE OF SERVICE

I, Kimberly Douglas, hereby certify that I am an employee with the firm Blooston, Mordkofsky, Jackson & Dickens, and that on this 3rd day of April, 1995, I caused to be delivered by first class United States mail, postage prepaid, the foregoing "**COMMENTS ON THE EMERGENCY PETITION FOR WAIVER DATED MARCH 28, 1995 FILED BY TELEPHONE ELECTRONICS CORPORATION**" to the following:

James U. Troup, Esq.
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Kimberly Douglas